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AZ CORP COMMISSION
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0000093892

February 19, 2009

Arizona Corporation Commission

DOCKETED

FEB 20 2009

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

DOCKETED BY	
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Re: UNS Gas, Inc. - Transwestern Phoenix Expansion Project
Docket No. G-04204A-06-0627 – Decision No. 69333

Decision No. 69333 (February 20, 2007) required UNS Gas, Inc. (“UNS Gas” or “Company”) to file a status report on the Transwestern project and UNS Gas’ participation in the project with the Arizona Corporation Commission every six-months until either UNS Gas begins taking service from Transwestern or UNS Gas’ participation in the project is terminated. UNS Gas hereby gives notice that UNS Gas expects to begin to take service from the Phoenix Lateral on March 1, 2009 and therefore this is the final status report that will be filed by the Company. Please see the attached letter from Transwestern Pipeline Company, LLC dated February 2, 2009 requesting from the Federal Energy Regulatory Commission (“FERC”) a “Request for Authorization to Commence Service of the Phoenix Expansion Project in Arizona”.

Decision No. 69333 (February 20, 2007) also required UNS Gas to formally notify the Commission within ten days of the following events related to the Transwestern Phoenix Lateral Pipeline Project:

- 1) The exact volumetric and fuel rates, applicable for UNS Gas when UNS Gas begins service with Transwestern, are set for the Transwestern Pipeline;
 - The volumetric rate is \$0.0128 Dth
 - The fuel rate is 2.35%
- 2) When Transwestern completes construction of the pipeline;
 - UNS Gas has received notification from Transwestern that it expects to place the Phoenix Expansion facilities in service on March 1, 2009. (See attached letter)

3) When UNS Gas begins to take service under the Transwestern Pipeline;

- UNS Gas expects to start to take service from the Phoenix Lateral on March 1, 2009.

Please do not hesitate to contact me at (520) 884-3680 if you have any questions concerning the provided status report.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Jessica Bryne".

Jessica Bryne
Regulatory Services

cc: Bob Gray, ACC
Compliance, ACC

Transwestern Pipeline Company, LLC
711 Louisiana Street, Houston TX 77002-2716
Houston Offices 281-714-2000

February 2, 2009

Ms. Kimberly D. Bose, Secretary
Office of the Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Transwestern Pipeline Company, LLC
Phoenix Expansion Project
FERC Docket No. CP06-459-000
Request for Authorization to Commence Service
of the Phoenix Expansion Project in Arizona
OEP/DG2E/Gas 2

Dear Ms. Bose:

Transwestern Pipeline Company, LLC ("Transwestern") is hereby filing with the Federal Energy Regulatory Commission ("Commission"), at Docket No. CP06-459-000, a Request for Authorization to Commence Service of the Phoenix Expansion Project in Arizona.

In compliance with Appendix B, Environmental Condition No. 8 of the Commission's Order issued November 15, 2007 in the above-referenced docket, Transwestern hereby requests written authorization from the Director of the Office of Energy Projects ("OEP") approving commencement of service of the Phoenix Expansion Project in Arizona including the modifications at the Seligman Compressor Station, the Ash Fork Facility, the Phoenix Lateral, customer laterals, meter stations, taps, and ancillary facilities.

As discussed in Transwestern's filed Bi-Weekly Environmental Status Reports, the construction activities are nearing completion on the Central Arizona Project Reroute, which is the only remaining area under construction, and there remain only a few compensation-related landowner issues that Transwestern anticipates will be settled in the near future. As a result of discussions with Transwestern's environmental staff, and as documented by the reports issued by the Commission's compliance monitoring contractor, Transwestern believes that the rehabilitation and restoration of the right-of-way for the Phoenix Lateral and other areas of project-related disturbance in Arizona are proceeding satisfactorily. It is Transwestern's understanding that the Commission's Environmental Project Manager for the Phoenix Expansion Project will be conducting an aerial inspection of the entire pipeline route in Arizona on February 17, 2009 to confirm the satisfactory status of right-of-way rehabilitation and restoration. Transwestern respectfully requests that the authorization discussed herein be granted by February 20, 2009.

As the Phoenix Expansion Project transitions from construction into operation, the Bureau of Land Management, Kaibab National Forest, and Prescott National Forest have requested meetings with Transwestern's Operations staff responsible for operating and maintaining the pipeline. Transwestern's Operations personnel will arrange meetings with each of these land management agencies to discuss transitioning from construction to commencing service of the project. In addition, Transwestern will mail to its landowners a letter regarding the completion of construction activities that will include local Operations and emergency contact phone numbers.

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After Transwestern commences service of the Phoenix Expansion Project in Arizona, post-construction monitoring of the right-of-way will be conducted for a period of 5 years in accordance with Transwestern's Restoration Monitoring Plan. Post-construction monitoring of the facilities in New Mexico that have already been placed into service will also be conducted in accordance with this plan. The Restoration Monitoring Plan will outline the procedures and criteria that will be used to determine successful revegetation, details of the monitoring schedule, the treatments that will be conducted to control noxious weeds after construction, and the remedial actions that will be implemented if revegetation of the right-of-way is deemed unsuccessful. The plan will also describe the parties responsible for conducting the monitoring, and the process for providing advance notification of the inspections to the land management agencies. The results of the monitoring will be provided to the Commission and the land management agencies. Transwestern is in the process of finalizing its Restoration Monitoring Plan and anticipates filing the plan with the Commission and providing copies to the land management agencies by late February 2009. Transwestern notes that the Commission's compliance monitoring contractor will also be conducting post-construction monitoring of the project facilities and providing the Commission and the land management agencies with reports of its inspections.

This filing is being submitted electronically to the Commission's eFiling website. An electronic copy of this filing is being sent directly to Mr. Douglas Sipe, OEP staff, and to Ms. Amy Davis, Natural Resource Group, LLC. Any questions or comments regarding this filing should be directed to the undersigned at (281)-714-2056.

Respectfully submitted,

/s/ Kelly Allen

Kelly Allen, Manager
Certificates and Reporting

cc: Mr. Douglas A. Sipe, Office of Energy Projects, Room 62-54
Ms. Amy Davis, Natural Resource Group, LLC

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Certificate of Service

I hereby certify that I have this day caused a copy of the foregoing document to be served upon each person designated on the official service list compiled by the Commission's Secretary in this proceeding in accordance with the requirements of Section 385.2010 of the Federal Energy Regulatory Commission's Rules of Practice and Procedures.

/s/ Kelly Allen

Kelly Allen, Manager
Certificates and Reporting
Transwestern Pipeline Company, LLC
(281)-714-2056